

Colorado Limited Gaming Control Commission

Minutes of Public Session
September 19, 2024

PUBLIC SESSION

I. Call to Order

Chair Armstrong called the September 19, 2024, meeting of the Colorado Limited Gaming Control Commission to order at 9:17 a.m. MDT in person at the Division of Gaming Office at 1707 Cole Blvd., Suite 300, Lakewood, CO 80401, and virtually via Zoom. Commissioners Tipton, Hyland, and George were present in person, and a quorum existed.

Officials & Administrators in Attendance

Kevin Armstrong, Chair
John Tipton, Commissioner Vice-Chair
Kevin Hyland, Commissioner
Ahilya George, Commissioner
Michael Phibbs, Senior Director, Specialized Business Group
Christopher Schroder, Director
Kirsten Gregg, Chief of Investigations
Kenya Collins, Director of Administration via Zoom
Bradford Jones, Senior Assistant Attorney General
Torrey Samson, Senior Assistant Attorney General
Paul Hogan, Chief Auditor
J. Wolff, Agent in Charge, Central City/Black Hawk
Bradley Nelson, Agent in Charge, Cripple Creek
John Madruga, Agent in Charge, Background Unit
Andrew Fulton, Agent in Charge, Sports Betting
Breanne Nolan, Executive Assistant, Secretary to CLGCC

EXECUTIVE SESSION

The Commission voted unanimously to go into the Executive Session pursuant to sections 24-6-402(3)(a)(III), 44-30-521(1)(a), 44-30-526(1)(d), and 44-30-1507 of the Colorado Revised Statutes to review confidential background licensing reports that were scheduled for consideration in the Public Session.

The Executive Session was called to order at 9:22 a.m. MDT.

PUBLIC SESSION

The Public Session was called back to order by Chair Armstrong at 9:55 a.m. MDT.

II. Approval of Licensing Actions

The Commission voted unanimously to approve the First Retail and Master Licenses for RMG JN LLC d/b/a Johnny Nolon's Casino and RMG CG LLC d/b/a Colorado Grand Casino. The Retail and Master Licenses will expire two years from their dates of issuance.

The issuance of the above Master licenses does not concurrently grant approval to entities or individuals with whom these licensees have entered into, or considered entering into contracts for sports betting operations or internet sports betting operations; nor does it preclude any entities or individuals from being called forward by the Division to conduct a comprehensive background investigation regarding their suitability to operate in Colorado.

The Commission voted unanimously to approve the First Manufacturer/Distributor License for Rocky Mountain Gaming CC LLC. This Manufacturer/Distributor License will expire two years from its date of issuance.

The Commission voted unanimously to approve the First Operator License for Rocky Mountain Gaming CC LLC. This Operator License will expire two years from its date of issuance.

The Commission voted unanimously to approve the Renewal of the Retail and Master Licenses for Dostal Alley, Inc. d/b/a Dostal Alley; CCSC/BLACKHAWK, INC. d/b/a Lady Luck Casino Black Hawk; and ISLE OF CAPRI BLACK HAWK, LLC d/b/a Horseshoe Black Hawk. The Retail and Master Licenses will expire two years from their current dates of expiration.

The reissuance of the above Master licenses does not concurrently grant approval to entities or individuals with whom these licensees have entered into, or considered entering into contracts for sports betting operations or internet sports betting operations; nor does it preclude any entities or individuals from being called forward by the Division to conduct a comprehensive background investigation regarding their suitability to operate in Colorado.

The Commission voted unanimously to approve the renewal of the Operator Licenses for CCSC/BLACKHAWK, INC. d/b/a Lady Luck Casino Black Hawk. This Operator License will expire two years from its current date of expiration.

The Commission voted unanimously to approve the Renewal of the Manufacturer/Distributor Licenses for IOC-BLACK HAWK DISTRIBUTION COMPANY, LLC. These Manufacturer/Distributor Licenses will expire two years from their current dates of expiration.

The Commission voted unanimously to approve the Change of Ownership of the Retail, Master, and Manufacturer/Distributor Licenses for Kings, Queens, and Jacks, LLC d/b/a Saratoga Casino Black Hawk. These Retail, Master, and Manufacturer/Distributor Licenses will expire two years from their current dates of expiration.

The Commission voted unanimously to approve the First Vendor Major License for ONLINE VENTURE STRATEGIES, LLC. This Vendor Major License will expire two years from its date of issuance.

In accordance with Commission Policy 24-01, the Commission voted unanimously to approve the First Vendor Minor Licenses and Renewals of the Vendor Minor Licenses listed in the Consent Agenda in the September 2024 public packet.

III. Opportunity for the Public to Address the Commission

The Chair gave anyone from the public an opportunity to address the Commission on any item not appearing in the agenda.

Michael Gaughan, Rocky Mountain Gaming CC LLC, thanked the Commission for the issuance of the Retail and Master Licenses for Johnny Nolon’s Casino and Colorado Grand Casino, as well as the Manufacturer/Distributor and Operator Licenses for Rocky Mountain Gaming CC LLC.

IV. Consideration of Limited Gaming Financial Statements for July 2024

The Commission voted unanimously to approve the Statement of Gaming Revenues, Gaming Taxes, and Expenditures (unaudited) for the first month ending on July 31, 2024, and to authorize its distribution.

V. Consideration of Division Sports Betting Financial Statement for July 2024

The Commission voted unanimously to approve the Statement of Sports Betting Revenues, Taxes, and Expenditures (unaudited) for the first month ending on July 31, 2024, and to authorize its distribution.

VI. Consideration of Sports Betting Fund Distribution for Fiscal Year 2024

Ryan Golden, Deputy Controller, Division of Gaming, presented the Fiscal Year 2024 Distribution of the Sports Betting Fund. Discussion was had between Commissioner Hyland and Controller Vickie Floyd regarding ballot measure JJ, which would remove the \$29 million cap on sports betting taxes collected by the Division of Gaming, eliminating the refund of tax dollars to casinos/operators. Commissioner Hyland asked Vickie Floyd if a supplemental budget change would need to be made. Vickie Floyd explained that a supplemental budget change would not need to be made, as the funds would be transferred to the Sports Betting Fund, and a new fund would not be established.

The Commission voted unanimously to certify the Fiscal Year 2024 Distribution of the Sports Betting Fund, as presented by the Division, in the amount of \$29,974,019.46.

VII. Consideration of Limited Gaming Rule 4, Regulation 30-409.5

The Commission voted unanimously to open the rulemaking hearing on Colorado Limited Gaming Rule 4, Regulation 30-409.5.

Christopher Schroder, Director, Division of Gaming, was sworn in and gave the presentation on Rule 4, Regulation 30-409.5. The Commission and Director Schroder discussed the process of temporary license (badge) issuance to employees who may forgotten their credentials. Director Schroder explained that this would require an employee/licensee to go through the license (badge) reissuance process, as opposed to borrowing a temporary license.

The Chair gave anyone from the public and opportunity to address the Commission on Colorado Limited Gaming Rule 4, Regulation 30-409.5. No members of the public came forward to testify.

The Commission voted unanimously to close the public comment portion of the rulemaking hearing.

Following deliberations, the Commission voted unanimously to approve the amendments to Colorado Limited Gaming Rule 4, Regulation 30-409.5, as presented.

The Commission voted unanimously to close the rulemaking hearing on Colorado Limited Gaming Rule 4, Regulation 30-409.5.

VIII. Review of Status Reports from the FY24 Responsible Gaming Grant Recipients

Corrie Martinez, Responsible Gaming Manager, submitted the FY24 Responsible Gaming Grant Recipient status reports into the record. She allowed representatives from each organization to give brief presentations to the Commission and answer any questions.

Jamie Glick, President, Problem Gambling Coalition of Colorado (PGCC), presented the milestones and goals for the following PGCC projects: Problem Gambling Center Project and the Awareness and Education Project – Year 2. Niles Koenigsberg, Marketing Manager of The Idea Marketing, and Brittany Beath, Marketing Manager of The Idea Marketing, discussed updates regarding the PGCC Awareness and Education Project – Year 2.

The Commission, Niles Koenigsberg, and Brittany Beath discussed the demographics reached through the PGCC Awareness & Education Project ad campaign. It was determined that through this second campaign, individuals targeted were between the ages of 25 to 45 and included Black, Indigenous, and People of Color, and other marginalized groups (BIPOC).

Dishi Umfleet, Operations Director of Kindbridge Research Institute, Mark Lucia, Program Manager (Military and Data) of Kindbridge Research Institute, and Laura Caster, Contractor of Kindbridge Research Institute, presented details regarding the following Kindbridge Research Institute Projects: Screening and Telehealth Enhancement for Gambling Disorder Initiative in Colorado (STEGD), Colorado Military Program Gambling Research, Education & Recovery Program – Phase 2, Athlete Well-Being – Phase 2, Healthy Gaming Education Project (HGEP), and Stanford Gambling Addiction Therapy Study (SGATS).

The Commission, Dishi Umfleet, and Laura Caster discussed the age groups of children participating in the Healthy Gaming Education Program (HGEP). It was determined that the current education materials were being developed for gambling prevention education for 7- to-11 year-olds and their parents, so that they may gain understanding of how to identify and navigate problem gambling behaviors. There was also discussion regarding attempts to establish a partnership with Kindbridge and the Denver Public School system to provide education through HGEP.

The Commission, Dishi Umfleet, and Mark Lucia discussed the outreach accomplished through the Colorado Military Program Research, Education & Recovery Program – Phase 2. Mark Lucia explained that Kindbridge had been in contact with the Fort Carson United States Army post to distribute education, resources, and physical services to active-duty military members. He stated that Fort Carson representatives seemed very open to the program and outreach. Dishi Umfleet detailed that Kindbridge's veterans education project leader was in contact with Buckley Airforce Base to set up meetings to get involved in disseminating education materials.

Corrie Martinez, Responsible Gaming Manager, thanked the Commission and grant recipients for their discussions, then concluded that status report presentation.

IX. Consideration of Organizational Matters

The Commission voted unanimously to approve the minutes from the July 23 & August 22, 2024, Public Sessions of Colorado Limited Gaming Control Commission, as presented.

Michael Phibbs, Senior Director of the Specialized Business Group, explained that the Department of Revenue and Division of Gaming were still working on lease negotiations for the Black Hawk Division office relocation project. He also stated that the Division of Gaming had planned to provide field investigators with uniforms and that the vendor had experienced some delays, but the uniforms were expected to roll-out in December. Senior Director Phibbs stated that the State of Colorado was working on a digital driver's license program. He explained that the identifications cards/driver's licenses (ID) could be stored in a Google or Apple Wallet on an individual's electronic device and that it would be biometrically verified and presented as a valid state ID card. He stated that a 30-minute presentation would be given at an upcoming meeting detailing the specifics of the mobile driver's license project and how it could be incorporated into Division and gaming operator practices.

Christopher Schroder, Director of the Division of Gaming, announced that members of the Nebraska Racing and Gaming Division were present and had been working with the Division all week to determine efficiencies and strategies between the two groups. He stated that the Nebraska Division members were also present for the Rocky Mountain Sports Betting Working Group that was held on September 18th. He explained that the working group met quarterly and was comprised of the Division, as well as regulators from other states in partnership with college athletics departments and professional athletics associations. He stated that a new Commissioner would begin in October, allowing the Commission to operate with a full five members. He explained that the Division had its bi-annual meeting with the Southern Ute Tribe Division of Gaming where collaboration on ongoing issues and efforts were discussed. Director Schroder stated that the Division would give its status report on the current fixed odds wagering trial at the October 17, 2024, meeting of the Colorado Limited Gaming Control Commission. He also stated that September was Responsible Gaming Awareness and Education Month and that he was proud of the work done by the Division and its stakeholders on responsible gaming, highlighting the work done by Responsible Gaming Manager, Corrie Martinez.

Director Schroder recognized the retirement of Division of Gaming Controller, Vikie Floyd, and highlighted her outstanding work and achievements with the Division over the last 30 years. Vickie Floyd thanked Director Schroder for his kind words. She explained that she was proud that the Division had received clean audits every year since she joined in 1994 and that the Division was considered a role model for the Department. She recalled that when the Marijuana Enforcement Division was started, she was contacted by the head of Internal Audit for the Department of Revenue and asked if Gaming's accounting procedures could be sent over as a model for the new accounting department. She explained that through challenges and changes over the years, she would not have been successful without those who came before her, such as Commissioner Hyland who had trained her in her first position as Accounting Technician. She credited success to her dedicated staff and recognized Michele Routzon, Tseko Ivanov, and Ryan

Golden for their hard work. She stated that the accounting department would be left in great hands with her staff, Director Schroder, and an accomplished senior staff.

Chair Armstrong thanked Vickie Floyd for her dedication and service to the State of Colorado and Division of Gaming.

X. Opportunity for the Industry Members to Address the Commission

The Chair extended an opportunity for any members of the gaming industry to address the Commission regarding any current issues or events. No members of the gaming industry came forward.

XI. Adjournment

The Commission voted unanimously to adjourn the September 19, 2024, meeting of the Colorado Limited Gaming Control Commission at 11:22 a.m. MDT.

Breanne Nolan, Secretary to the Colorado Limited Gaming Control Commission